

# RUSH

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

UNITED STATES  
BANKRUPTCY COURT  
FILED

2004 JUL 13 AM 9:31

C.L. AUSTIN, CLERK  
MILWAUKEE, WISCONSIN

## MONTHLY FINANCIAL REPORT

OFFICE OF THE U.S. TRUSTEE  
EASTERN DISTRICT OF WISCONSIN

Case Name: FV Steel & Wire Company ("FVSW")  
Keystone Consolidated Industries, Inc. ("KCI")  
DeSoto Environmental Management, Inc. ("DEMI")  
J.L. Prescott Company ("JLP")  
Sherman Wire Company ("SWC")  
Sherman Wire of Caldwell, Inc. ("SWCI")

Case No: 04-22421-SVK  
04-22422-SVK  
04-22423-SVK  
04-22424-SVK  
04-22425-SVK  
04-22426-SVK

FOR MONTH OF JUNE, 2004.

### I. FINANCIAL SUMMARY

#### CASH RECEIPTS AND DISBURSEMENTS

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
A. CASH ON HAND START OF MONTH	\$0	\$5,830,120	\$0	\$0	(\$2,392)	\$0	\$5,927,728
B. RECEIPTS	0	94,488,224	0	0	3,072	0	94,492,296
C. DISBURSEMENTS	0	93,241,605	0	0	15,464	4,000	93,261,069
D. NET RECEIPTS (DISBURSEMENTS)	0	1,247,619	0	0	(12,392)	(4,000)	1,231,227
E. CASH ON HAND END OF MONTH	\$0	\$7,177,739	\$0	\$0	(\$14,784)	(\$4,000)	\$7,158,955

Note 1 - KCI Cash On Hand At End of Month includes \$7,892,490 of cash held in escrow for PSC Metals, Inc. pending resolution of disputed ferrous scrap ownership. (See U.S. Bank - Portland, Oregon accounts # 15365681004 and # 436000100).

Note 2 - KCI Receipts include \$24,123,000 of advances on its Revolving Line of Credit (RLC).

Note 3 - KCI Disbursements include \$30,443,293 of payments on its RLC.

Note 4 - KCI Receipts and Disbursements include transfers from and to, respectively KCI accounts of \$39,887,792.

Note 4 - SWC Receipts and KCI Disbursements include transfers from KCI to SWC of \$3,072.

#### CASH DISBURSEMENT RECONCILIATION

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
Per Schedule of Receipts and Disbursements	0	93,241,605	0	0	15,464	4,000	93,261,069
Less:							
Payments on Revolving Credit Facility		(30,443,293)					(30,443,293)
Transfers to other cash accounts		(39,890,864)					(39,890,864)
Net Cash Disbursements	\$0	\$22,907,448	\$0	\$0	\$15,464	\$4,000	\$22,926,912

#### PROFIT AND LOSS STATEMENT ACCRUAL BASIS

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Sub Total	Elimin- ations	Total
A. NET SALES	\$0	\$30,613,303	\$0	\$0	\$1,595,321	\$0	\$32,208,624	(\$1,681,386)	\$30,527,238
B. COST OF SALES	0	22,686,306	0	0	1,198,619	0	23,884,925	(1,681,386)	22,183,539
C. GROSS PROFIT	0	7,946,997	0	0	396,702	0	8,343,699	0	8,343,699
D. TOTAL OPERATING EXPENSES	3,549	5,298,298	0	60,500	461,403	27,293	5,848,953	(199,007)	5,649,946
E. NET INCOME (LOSS) FROM OPERATIONS	(3,549)	2,650,789	0	(60,500)	(64,701)	(27,293)	2,494,746	199,007	2,693,753
F. NON-OPERATING, NON-RECURRING REVENUE (EXPENSES)	7,994	(620,601)	60,000	0	123,246	0	(629,361)	(199,007)	(828,368)
H. NET INCOME (LOSS)	\$4,445	\$1,830,188	\$60,000	(\$60,500)	\$58,545	(\$27,293)	\$1,865,385	\$0	\$1,865,385

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

## II. PROFIT & LOSS STATEMENT (ACCRUAL BASIS)

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Sub Total	Elimin- ations	Total
<b>A. Related to Business Operations:</b>									
Total Revenue (Sales)		\$30,613,303			\$1,595,321		\$32,208,624	(\$1,681,386)	\$30,527,238
Less: Cost of Goods Sold:									
Beginning Inventory at Cost		43,714,789			2,275,607		45,990,396		45,990,396
Add: Purchases		20,768,347			1,222,548		21,990,895	(1,681,386)	20,309,509
Less: Ending Inventory at Cost		41,816,830			2,299,536		44,116,366		44,116,366
Cost of Good Sold	0	22,666,306	0	0	1,196,619	0	23,864,925	(1,681,386)	22,183,539
Gross Profit	0	7,946,997	0	0	398,702	0	8,343,699	0	8,343,699
Less: Operating Expenses:									
Officer Compensation		40,577					40,577		40,577
Salaries and Wages - Other Employees		1,099,307			87,764		1,187,071		1,187,071
Employee Benefits and Pensions	105	1,581,932			32,735	17,669	1,632,441		1,632,441
Payroll Taxes		93,909			15,174		109,083		109,083
Real Estate Taxes		12,231			10,024	(193)	22,062		22,062
Federal and State Income Taxes		0					0		0
Rent and Lease Expense		28,823			2,361		31,184		31,184
Interest Expense		423,416		60,000			483,416	(188,138)	295,278
Insurance		(314,466)			121,473		(192,993)		(192,993)
Automobile Expense		0					0		0
Utilities		216,290			7,925	709	224,924		224,924
Depreciation and Amortization	3,444	1,136,270			89,586	5,915	1,235,215		1,235,215
Repairs and Maintenance		132,307			6,245		138,552		138,552
Advertising		41,287					41,287		41,287
Supplies, Office Expense and Photocopies		103,659			4,757		108,416		108,416
Bad Debts		0					0		0
Miscellaneous - Exhibit A	0	700,666	0	500	83,359	3,193	787,718	(10,868)	776,849
Total Operating Expenses	3,549	5,296,208	0	60,500	461,403	27,293	5,848,953	(199,007)	5,649,946
Net Income (Loss) From Operations	(3,549)	2,650,789	0	(60,500)	(64,701)	(27,293)	2,494,746	199,007	2,693,753
<b>B. Not Related to Business Operations:</b>									
Revenue:									
Interest Income	994	5,264	60,000		128,138		194,396	(188,138)	6,258
Net Gain (Loss) on Sale of Assets							0		0
Other - Exhibit B	7,000	45,174	0	0	0	0	52,174	(10,868)	41,305
Total Non-Operating Revenue	7,994	50,438	60,000	0	128,138	0	246,570	(199,007)	47,563
Expenses:									
Legal and Professional Fees - Exhibit C	0	871,039	0	0	4,892	0	875,931	0	875,931
Other - Exhibit D	0	0	0	0	0	0	0	0	0
Total Non-Operating Expenses	0	871,039	0	0	4,892	0	875,931	0	875,931
Net Income (Loss) For Period	\$4,445	\$1,830,188	\$60,000	(\$60,500)	\$58,545	(\$27,293)	\$1,865,385	\$0	\$1,865,385

Note 1 - Beginning and ending inventory balances shown above do not include reserves related to LIFO and obsolescence that are reflected in the inventory balances shown on the Balance Sheet.  
Note 2 - Interest income at DEMI and SWC is based on the balance of intercompany receivables.

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

### III. SUMMARY OF CASH RECEIPTS & DISBURSEMENTS (Attach Copies of Bank Statements & Bank Reconciliations)

U.S. Bank - Portland, Oregon  
KCI #162100016660  
SWC #162100016664  
SWCI #162100016692

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
Beginning Cash Balance Per Books		(\$1,899,319)			(\$3,001)	\$0	(\$1,902,320)
<b>Receipts:</b>							
Other							0
Trsrfr fr KCI US Bank Acct-153691427964		6,641,653			3,072	0	6,644,725
Total Receipts	0	6,641,653	0	0	3,072	0	6,644,725
<b>Disbursements:</b>							
Operating disbursements		6,039,985			5,185	4,000	6,049,170
Total Disbursements	0	6,039,985	0	0	5,185	4,000	6,049,170
Net Receipts (Disbursements)	0	601,668	0	0	(2,113)	(4,000)	595,555
Ending Cash Balance Per Books	\$0	(\$1,297,651)	\$0	\$0	(\$5,114)	(\$4,000)	(\$1,306,765)

U.S. Bank - Portland, Oregon  
KCI # 163656081004  
SWC # 162100016676

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
Beginning Cash Balance Per Books		\$4,928			(\$51)		\$4,877
<b>Receipts:</b>							
Transfer from US Bank 436000100 CORP		13,540,873					13,540,873
Trsrfr fr KCI US Bank Acct-153691427964		1,116,689			0		1,116,689
Interest Income							0
Total Receipts	0	14,657,562	0	0	0	0	14,657,562
<b>Disbursements:</b>							
Transfer to US Bank 436000100 CORP		14,360,000					14,360,000
Operating disbursements					10,279		10,279
Total Disbursements	0	14,360,000	0	0	10,279	0	14,370,279
Net Receipts (Disbursements)	0	297,562	0	0	(10,279)	0	287,283
Ending Cash Balance Per Books	\$0	\$302,490	\$0	\$0	(\$10,330)	\$0	\$292,160

U.S. Bank - Portland, Oregon  
#436000100

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
Beginning Cash Balance Per Books		\$6,765,609					\$6,765,609
<b>Receipts:</b>							
Transfer from US Bank 1536 5608 1004		14,360,000					14,360,000
Interest Income		5,264					5,264
Total Receipts	0	14,365,264	0	0	0	0	14,365,264
<b>Disbursements:</b>							
Transfer to US Bank 1536 5608 1004		13,540,873					13,540,873
Total Disbursements	0	13,540,873	0	0	0	0	13,540,873
Net Receipts (Disbursements)	0	824,391	0	0	0	0	824,391
Ending Cash Balance Per Books	\$0	\$7,590,000	\$0	\$0	\$0	\$0	\$7,590,000

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

**U.S. Bank - Portland, Oregon**  
**# 162100016643**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Total</u>
Beginning Cash Balance Per Books		(\$47,776)					(\$47,776)
<b>Receipts:</b>							
Transfer from US Bank - 1536 9142 7964		351,944					351,944
							0
Total Receipts	0	351,944	0	0	0	0	351,944
<b>Disbursements:</b>							
Operating disbursements		837,168					837,168
							0
							0
Total Disbursements	0	837,168	0	0	0	0	837,168
Net Receipts (Disbursements)	0	(485,224)	0	0	0	0	(485,224)
Ending Cash Balance Per Books	\$0	(\$533,000)	\$0	\$0	\$0	\$0	(\$533,000)

**Bank of America - Tampa, Florida**  
**# 0044 6440 8567**  
**# 0044 6440 4244**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Total</u>
Beginning Cash Balance Per Books		\$156					\$156
<b>Receipts:</b>							
							0
Total Receipts	0	0	0	0	0	0	0
<b>Disbursements:</b>							
							0
Total Disbursements	0	0	0	0	0	0	0
Net Receipts (Disbursements)	0	0	0	0	0	0	0
Ending Cash Balance Per Books	\$0	\$156	\$0	\$0	\$0	\$0	\$156

**Bartonville Bank - Bartonville, Illinois**  
**# 60-0-765**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Total</u>
Beginning Cash Balance Per Books		\$10,000					\$10,000
<b>Receipts:</b>							
							0
							0
Total Receipts	0	0	0	0	0	0	0
<b>Disbursements:</b>							
							0
							0
							0
Total Disbursements	0	0	0	0	0	0	0
Net Receipts (Disbursements)	0	0	0	0	0	0	0
Ending Cash Balance Per Books	\$0	\$10,000	\$0	\$0	\$0	\$0	\$10,000

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

**U.S. Bank - Portland, Oregon - Corporate Accounts**  
**Blocked Acct # 1 636 9142 8277 CORP**  
**Concentration Acct # 1 636 9142 7964 CORP**  
**Concentration Acct # 1 636 5608 0931 CORP**

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
Beginning Cash Balance Per Books		\$1,022,526					\$1,022,526
<b>Receipts:</b>							
Fund from Revolving Line of Credit		24,123,000					24,123,000
Lockbox/Customer Receipts		29,385,090					29,385,090
Trsfns fr KSW Bank One-630803062		936,686					936,686
Trsfns fr KCI Bank One-9770127450		116,000					116,000
							0
Total Receipts	0	54,560,776	0	0	0	0	54,560,776
<b>Disbursements:</b>							
Pay down Revolving Line of Credit		30,443,293					30,443,293
Transfer to KCI US Bank-1536 5608 1004		1,116,689					1,116,689
Transfer to KCI US Bank-1521 0001 5543		351,944					351,944
Transfer to KSW US Bank-1521 0001 5550		6,641,653					6,641,653
Transfer to SWC US Bank-1521 0001 5576		0					0
Transfer to SWC US Bank-1521 0001 5584		3,072					3,072
Transfer to SWCI US Bank-1521 0001 5584		0					0
Transfer to KCI Bank One Acct-99693884		7,000					7,000
Transfer to KSW Bank One Acct-630803088		35,745					35,745
Transfer to KSW Bank One Acct-630803039		33,940					33,940
Transfer to KSW Bank One Acct-630803021		2,013,742					2,013,742
Transfer to KSW Bank One Acct-630803070		135,177					135,177
Transfer to KSW Bank One Acct-630803013		598,343					598,343
Operating disbursements		13,184,398					13,184,398
							0
Total Disbursements	0	54,564,996	0	0	0	0	54,564,996
Net Receipts (Disbursements)	0	(4,220)	0	0	0	0	(4,220)
Ending Cash Balance Per Books	\$0	\$1,018,306	\$0	\$0	\$0	\$0	\$1,018,306

**Bank One - Peoria, Illinois**  
**# 630803062**

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
Beginning Cash Balance Per Books		\$34,735					\$34,735
<b>Receipts:</b>							
Collection of Receivables		389,682					389,682
Other		595,999					595,999
Total Receipts	0	985,681	0	0	0	0	985,681
<b>Disbursements:</b>							
Transfer to KCI US Bank-1536 9142 7964		936,686					936,686
							0
							0
Total Disbursements	0	936,686	0	0	0	0	936,686
Net Receipts (Disbursements)	0	48,995	0	0	0	0	48,995
Ending Cash Balance Per Books	\$0	\$83,730	\$0	\$0	\$0	\$0	\$83,730

**Bank One - Dallas, Texas**  
**# 9770127460**

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
Beginning Cash Balance Per Books		\$19,654					\$19,654
<b>Receipts:</b>							
Other receipts		99,620					99,620
							0
Total Receipts	0	99,620	0	0	0	0	99,620
<b>Disbursements:</b>							
Transfer to KCI US Bank-1536 9142 7964		116,000					116,000
							0
Total Disbursements	0	116,000	0	0	0	0	116,000
Net Receipts (Disbursements)	0	(16,380)	0	0	0	0	(16,380)
Ending Cash Balance Per Books	\$0	\$3,274	\$0	\$0	\$0	\$0	\$3,274

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

**Bank One - Peoria, Illinois**  
# 630803039

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Total</u>
Beginning Cash Balance Per Books		\$10,588					\$10,588
<b>Receipts:</b>							
Transfer from KCI US Bank-1536 9142 7964		33,940					33,940
Other							0
Total Receipts	0	33,940	0	0	0	0	33,940
<b>Disbursements:</b>							
Operating disbursements		35,614					35,614
Total Disbursements	0	35,614	0	0	0	0	35,614
Net Receipts (Disbursements)	0	(1,674)	0	0	0	0	(1,674)
Ending Cash Balance Per Books	\$0	\$8,914	\$0	\$0	\$0	\$0	\$8,914

**Bank One - Peoria, Illinois**  
# 630803088

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Total</u>
Beginning Cash Balance Per Books		\$0					\$0
<b>Receipts:</b>							
Transfer from KCI US Bank-1536 9142 7964		35,745					35,745
Other							0
Total Receipts	0	35,745	0	0	0	0	35,745
<b>Disbursements:</b>							
Operating disbursements		35,745					35,745
Total Disbursements	0	35,745	0	0	0	0	35,745
Net Receipts (Disbursements)	0	0	0	0	0	0	0
Ending Cash Balance Per Books	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Bank One - Dallas, Texas**  
# 99693884

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Total</u>
Beginning Cash Balance Per Books		\$7,727					\$7,727
<b>Receipts:</b>							
Transfer from KCI US Bank-1536 9142 7964		7,000					7,000
Total Receipts	0	7,000	0	0	0	0	7,000
<b>Disbursements:</b>							
Operating disbursements		24,499					24,499
Total Disbursements	0	24,499	0	0	0	0	24,499
Net Receipts (Disbursements)	0	(17,499)	0	0	0	0	(17,499)
Ending Cash Balance Per Books	\$0	(\$9,772)	\$0	\$0	\$0	\$0	(\$9,772)

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

**Bank of America - Charlotte, North Carolina**  
**# 224 30822 1 & EJR**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Total</u>
Beginning Cash Balance Per Books		\$1,292					\$1,292
<b>Receipts:</b>							
Interest Income							0
							0
Total Receipts	0	0	0	0	0	0	0
<b>Disbursements:</b>							
							0
							0
							0
Total Disbursements	0	0	0	0	0	0	0
Net Receipts (Disbursements)	0	0	0	0	0	0	0
Ending Cash Balance Per Books	\$0	\$1,292	\$0	\$0	\$0	\$0	\$1,292

**Bank One - Peoria, Illinois**  
**# 630803021**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Total</u>
Beginning Cash Balance Per Books		\$0					\$0
<b>Receipts:</b>							
Transfer from KCI US Bank-1536 9142 7964		2,013,742					2,013,742
Other		2,777					2,777
Total Receipts	0	2,016,519	0	0	0	0	2,016,519
<b>Disbursements:</b>							
Operating disbursements		2,016,519					2,016,519
Total Disbursements	0	2,016,519	0	0	0	0	2,016,519
Net Receipts (Disbursements)	0	0	0	0	0	0	0
Ending Cash Balance Per Books	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Bank One - Peoria, Illinois**  
**# 630803070**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Total</u>
Beginning Cash Balance Per Books		\$0					\$0
<b>Receipts:</b>							
Transfer from KCI US Bank-1536 9142 7964		135,177					135,177
Other							0
Total Receipts	0	135,177	0	0	0	0	135,177
<b>Disbursements:</b>							
Operating disbursements		135,177					135,177
Total Disbursements	0	135,177	0	0	0	0	135,177
Net Receipts (Disbursements)	0	0	0	0	0	0	0
Ending Cash Balance Per Books	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Bank One - Peoria, Illinois**  
**# 630803013**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Total</u>
Beginning Cash Balance Per Books		\$0					\$0
<b>Receipts:</b>							
Transfer from KCI US Bank-1536 9142 7964		598,343					598,343
Other							0
Total Receipts	0	598,343	0	0	0	0	598,343
<b>Disbursements:</b>							
Operating disbursements		598,343					598,343
Total Disbursements	0	598,343	0	0	0	0	598,343
Net Receipts (Disbursements)	0	0	0	0	0	0	0
Ending Cash Balance Per Books	\$0	\$0	\$0	\$0	\$0	\$0	\$0

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

#### IV. BALANCE SHEET

	EVSW	KCI	DEMI	JLP	SWC	SWCI	Sub Total	Elimi- nations	Total
<b>ASSETS</b>									
<b>Current</b>									
Cash		\$7,177,739			(\$14,784)	(\$4,000)	\$7,158,955		\$7,158,955
Inventory	53,582	24,796,250			2,494,725		27,344,557		27,344,557
Accounts Receivable		28,314,710			892,563		29,207,273		29,207,273
Prepaid Expenses		1,028,511			177,271	1,264	1,207,046		1,207,046
Other - Exhibit E	77,982	3,983,819	14,849,793	0	364,429	0	19,275,823	(15,217,819)	4,058,004
Total Current Assets	131,564	85,300,829	14,849,793	0	3,914,204	(2,736)	84,193,854	(15,217,819)	68,975,835
<b>Fixed</b>									
Property and Equipment	1,175,330	323,349,737			21,589,653	2,829,738	348,944,458		348,944,458
Accumulated Depreciation	(714,376)	(238,036,911)			(16,536,153)	(2,328,721)	(257,616,181)		(257,616,181)
Total Fixed Assets	460,954	85,312,826	0	0	5,053,500	501,017	91,328,297	0	91,328,297
<b>Other</b>									
Restricted Investments		5,556,917			401,599		5,958,516		5,958,516
Prepaid Pension Asset		131,486,435					131,486,435		131,486,435
Deferred Financing Costs		1,565,042					1,565,042		1,565,042
Goodwill		751,508					751,508		751,508
Other - Exhibit F	115,000	39,628,719	0	0	2,246,871	0	41,990,590	(41,173,674)	816,916
Total Other Assets	115,000	178,988,621	0	0	2,648,470	0	181,752,091	(41,173,674)	140,578,417
Total Assets	\$707,518	\$329,602,276	\$14,849,793	\$0	\$11,616,174	\$498,281	\$357,274,042	(\$56,391,493)	\$300,882,549
<b>LIABILITIES</b>									
<b>Current</b>									
Pre-Petition Accounts Payable		19,344,646			993,041	54,503	20,392,190		20,392,190
Post-Petition Accounts Payable		9,013,156			178,400	4,641	9,197,197		9,197,197
Pre-Petition Accounts Payable - Affiliates	(2,649,073)	90,305,621	5,774,107	15,552,291	(89,758,156)	(1,458,080)	17,785,710	(14,904,350)	2,881,360
Post-Petition Accounts Payable - Affiliates	(105,314)	548,340	7,971	241,250	329,658	(155,466)	868,439	(313,469)	554,970
Pre-Petition Accrued Expenses - Exhibit G	3,183	19,957,329	35,632	(36,000)	6,668,380	64,082	26,692,806	0	26,692,806
Post-Petition Accrued Expenses - Exhibit H	0	13,226,463	0	0	267,705	442	13,494,610	0	13,494,610
Pre-Petition Notes Payable and Current							0		0
Maturities of Long Term Debt		28,151,777			20,290		28,172,067		28,172,067
Post-Petition Notes Payable and Current							0		0
Maturities of Long Term Debt		30,789,549			(9,364)		30,780,185		30,780,185
Accrued OPEB Cost		11,441,001		155,000	297,662		11,893,663		11,893,663
Income Taxes Payable							0		0
Pre-petition accrued pref. Stock dividends		11,845,805					11,845,805		11,845,805
Post petition accrued pref. Stock dividends		2,455,567					2,455,567		2,455,567
Total Current Liabilities	(2,751,204)	237,079,254	5,817,710	15,912,541	(81,011,384)	(1,490,878)	173,556,039	(15,217,819)	158,338,220
<b>Long Term</b>									
Pre-Petition Long Term Debt		32,165,761					32,165,761		32,165,761
Post-Petition Long Term Debt							0		0
Accrued OPEB Cost	33,000	107,199,359		1,620,194	9,351,836		118,204,389		118,204,389
Accrued Pension Cost		1,638,828					1,638,828		1,638,828
Pre-Petition Accrued Expenses - Exhibit I	0	11,096,137	3,573,908	0	0	0	14,670,045	0	14,670,045
Post-Petition Accrued Expenses - Exhibit J	0	780,025	(7,441)	0	0	0	772,584	0	772,584
Total Long Term Liabilities	33,000	152,880,110	3,566,467	1,620,194	9,351,836	0	167,451,607	0	167,451,607
Preferred Stock		2,112,000					2,112,000		2,112,000
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>									
Common Stock	10,000	10,798,251	6	2,246,866	5,619,274	1,000	18,675,397	(7,877,145)	10,798,252
Additional Paid-in Capital		38,769,929			27,579,007		66,348,936	(27,579,007)	38,769,929
Accumulated Deficit	3,415,722	(112,025,143)	5,465,610	(19,779,601)	83,834,894	1,988,159	(37,300,359)	(39,274,975)	(76,575,334)
Treasury Stock		(12,125)			(33,557,453)		(33,569,578)	33,557,453	(12,125)
Total Stockholders' Equity (Deficit)	3,425,722	(62,469,088)	5,465,616	(17,532,735)	83,275,722	1,989,159	14,154,396	(41,173,674)	(27,019,278)
Total Liabilities & Stockholders' Equity (Deficit)	\$707,518	\$329,602,276	\$14,849,793	\$0	\$11,616,174	\$498,281	\$357,274,042	(\$56,391,493)	\$300,882,549

Note 1 - Inventory balances above reflect reserves related to LIFO and obsolescence that are not reflected in the inventory balances shown on the Profit & Loss Statement.

Note 2 - Substantially all Current and Long Term Accrued OPEB (Future Retiree Medical) Costs were incurred pre-petition.



This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

#### V. SUPPORTING SCHEDULES

##### 1. OTHER MONIES ON HAND

Petty Cash

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
					660		660
							0
							0
	\$0	\$0	\$0	\$0	\$660	\$0	\$660

##### 2. AGING OF ACCOUNTS PAYABLE & ACCOUNTS RECEIVABLE (exclude pre-petition accounts payable):

Accounts Payable:

Current Under 30 Days  
Overdue 31- 60 Days  
Overdue 61- 90 Days  
Overdue 91- 120 Days  
Overdue Over 121 Days

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
		\$9,013,156			\$179,400	\$4,641	\$9,197,197
							0
							0
							0
	\$0	\$9,013,156	\$0	\$0	\$179,400	\$4,641	\$9,197,197

Itemization of all post-petition payables over 30 days old - Exhibit K

Accounts Receivable:

Current Under 30 Days  
Overdue 31- 60 Days  
Overdue 61- 90 Days  
Overdue 91- 120 Days  
Overdue Over 121 Days  
Less: Allow for Bad Debt

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
		\$27,960,361			\$980,084		\$28,940,445
		481,268			(1,548)		479,720
		134,854			13,553		148,407
		6,673			(2,761)		3,912
		104,848			11,926		116,874
		(373,394)			(108,691)		(482,085)
	\$0	\$28,314,710	\$0	\$0	\$892,563	\$0	\$29,207,273

##### 3. ACCRUED PROFESSIONAL FEES (POST PETITION)

Name	Profession
FTIC	Financial Advisors
UST	U.S. Trustee
K&E	Legal
WHD	Legal
VP	Legal
JH	Legal
BH	Legal
KCC LLC	Claims Agent
Other	Committee Professionals

	FVSW	KCI	DEMI	JLP	SWC	SWCI	Total
		\$1,006,215					\$1,006,215
		\$10,000					\$10,000
		955,304					955,304
		59,727					59,727
		50,000					50,000
		936					936
		168					168
		165,000					165,000
		841,870					841,870
	\$0	\$3,089,220	\$0	\$0	\$0	\$0	\$3,089,220

##### 4. STATUS OF PAYMENTS TO SECURED CREDITORS & LESSORS

Creditor Name	Frequency of Regular Payment	Entity	Amount Of Regular Payment	Date Of Last Pd.	Amount Of Payments Delinq.
EWP Financial LLC		KCI	0		
Congress	Daily	KCI	0	05/31	
Congress	Daily	KCI	927,803	06/01	
Congress	Daily	KCI	5,532,410	06/02	
Congress	Daily	KCI	365,607	06/03	
Congress	Daily	KCI	660,454	06/04	
Congress	Daily	KCI	682,794	06/07	
Congress	Daily	KCI	2,215,260	06/08	
Congress	Daily	KCI	1,425,269	06/09	
Congress	Daily	KCI	838,326	06/10	
Congress	Daily	KCI	569,528	06/11	
Congress	Daily	KCI	899,721	06/14	
Congress	Daily	KCI	5,822,471	06/15	
Congress	Daily	KCI	1,522,623	06/16	
Congress	Daily	KCI	491,719	06/17	
Congress	Daily	KCI	1,391,589	06/18	
Congress	Daily	KCI	616,215	06/21	
Congress	Daily	KCI	2,063,518	06/22	
Congress	Daily	KCI	2,352,046	06/23	
Congress	Daily	KCI	882,678	06/24	
Congress	Daily	KCI	1,183,262	06/25	
			30,443,293		

\* Include Only Post Petition Payments:  
Explanation for Non Payment:

N/A

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

#### VI. TAX LIABILITY QUESTIONNAIRE

Debtors in Possession and trustees are required to pay all taxes incurred after the filing of their Chapter 11 petition on an as-due basis. Applicable tax liabilities should also be accrued between tax due dates for each pay period. Please indicate the amounts of post petition taxes and withholdings that have been paid and accrued through this reporting period.

If Not Applicable - Indicate N/A.

	Date <u>Paid</u>	Amount <u>Paid</u>	Amount <u>Accrued</u>	Amount <u>Overdue</u>
<b>FVSW</b>				
FICA Withholdings	N/A	N/A	N/A	N/A
Employer's FICA	N/A	N/A	N/A	N/A
Federal Employee Withholding	N/A	N/A	N/A	N/A
Federal Unemployment Taxes	N/A	N/A	N/A	N/A
Federal Income Taxes	Qtrly	N/A	\$5,795	N/A
State Income Taxes	Qtrly	N/A	\$746	N/A
State Unemployment Taxes	N/A	N/A	N/A	N/A
State Employee Withholding	N/A	N/A	N/A	N/A
State Sales & use Taxes	N/A	N/A	N/A	N/A
Real Estate Taxes	N/A	N/A	N/A	N/A
Personal Property Taxes	N/A	N/A	N/A	N/A
Canadian Value Added Tax	N/A	N/A	N/A	N/A
Other Taxes - Exhibit L	N/A	N/A	N/A	N/A
<b>KCI</b>				
FICA Withholdings	Wkly	\$307,547	\$111,813	N/A
Employer's FICA	Wkly	\$307,547	\$217,231	N/A
Federal Employee Withholding	Wkly	\$577,110	\$228,089	N/A
Federal Unemployment Taxes	Qtrly	\$0	(\$22,584)	N/A
Federal Income Taxes	Qtrly	\$0	\$1,311,926	N/A
State Income Taxes	Qtrly	\$0	\$168,676	N/A
State Unemployment Taxes	Qtrly	\$0	(\$386,502)	N/A
State Employee Withholding	Monthly	\$118,207	\$45,253	N/A
State Sales & use Taxes	Monthly	\$963	\$1,059	N/A
Real Estate Taxes	Annual	N/A	\$258,921	N/A
Personal Property Taxes	Annual	N/A	N/A	N/A
Canadian Value Added Tax	N/A	N/A	N/A	N/A
Other Taxes - Exhibit L	N/A	N/A	N/A	N/A
<b>DEM</b>				
FICA Withholdings	N/A	N/A	N/A	N/A
Employer's FICA	N/A	N/A	N/A	N/A
Federal Employee Withholding	N/A	N/A	N/A	N/A
Federal Unemployment Taxes	N/A	N/A	N/A	N/A
Federal Income Taxes	Qtrly	N/A	\$71,841	N/A
State Income Taxes	N/A	N/A	N/A	N/A
State Unemployment Taxes	N/A	N/A	N/A	N/A
State Employee Withholding	N/A	N/A	N/A	N/A
State Sales & use Taxes	N/A	N/A	N/A	N/A
Real Estate Taxes	N/A	N/A	N/A	N/A
Personal Property Taxes	N/A	N/A	N/A	N/A
Canadian Value Added Tax	N/A	N/A	N/A	N/A
Other Taxes - Exhibit L	N/A	N/A	N/A	N/A

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

	Date Paid	Amount Paid	Amount Accrued	Amount Overdue
<b>JLP</b>				
FICA Withholdings	N/A	N/A	N/A	N/A
Employer's FICA	N/A	N/A	N/A	N/A
Federal Employee Withholding	N/A	N/A	N/A	N/A
Federal Unemployment Taxes	N/A	N/A	N/A	N/A
Federal Income Taxes	Qtrly	N/A	(\$72,375)	N/A
State Income Taxes	N/A	N/A	N/A	N/A
State Unemployment Taxes	N/A	N/A	N/A	N/A
State Employee Withholding	N/A	N/A	N/A	N/A
State Sales & use Taxes	N/A	N/A	N/A	N/A
Real Estate Taxes	N/A	N/A	N/A	N/A
Personal Property Taxes	N/A	N/A	N/A	N/A
Canadian Value Added Tax	N/A	N/A	N/A	N/A
Other Taxes - Exhibit L	N/A	N/A	N/A	N/A
<b>SWC</b>				
FICA Withholdings	Wkly	\$19,642	\$5,985	N/A
Employer's FICA	Wkly	19,642	5,985	N/A
Federal Employee Withholding	Wkly	29,664	9,037	N/A
Federal Unemployment Taxes	Qtrly	0	654	N/A
Federal Income Taxes	Qtrly	0	65,595	N/A
State Income Taxes	Qtrly	0	11,004	N/A
State Unemployment Taxes	Qtrly	0	8,893	N/A
State Employee Withholding	Monthly	416	185	N/A
State Sales & use Taxes	Monthly	116	1,224	N/A
Real Estate Taxes	Annual	0	13,961	N/A
Personal Property Taxes	Annual	0	38,546	N/A
Canadian Value Added Tax	N/A	N/A	N/A	N/A
Other Taxes - Exhibit L	N/A	N/A	N/A	N/A
<b>SWCJ</b>				
FICA Withholdings	N/A	N/A	N/A	N/A
Employer's FICA	N/A	N/A	N/A	N/A
Federal Employee Withholding	N/A	N/A	N/A	N/A
Federal Unemployment Taxes	N/A	N/A	N/A	N/A
Federal Income Taxes	N/A	N/A	(10,667)	N/A
State Income Taxes	N/A	N/A	(1,371)	N/A
State Unemployment Taxes	N/A	N/A	N/A	N/A
State Employee Withholding	N/A	N/A	N/A	N/A
State Sales & use Taxes	N/A	N/A	N/A	N/A
Real Estate Taxes	Annual	N/A	\$1,881	N/A
Personal Property Taxes	Annual	N/A	N/A	N/A
Canadian Value Added Tax	N/A	N/A	N/A	N/A
Other Taxes - Exhibit L	N/A	N/A	N/A	N/A

If any of these applicable tax liabilities have not been paid currently, please explain.

This Monthly Financial Report was prepared solely for purposes of complying with the monthly reporting requirements of the Office of the United States Trustee - Eastern District of Wisconsin. The attached information does not purport to show the financial statements of Keystone Consolidated Industries, Inc., or any of its subsidiaries, in accordance with generally accepted accounting principles. The financial information related to non-debtor subsidiaries of Keystone Consolidated Industries, Inc., certain disclosure items, reclassifications, eliminations and accruals have been omitted.

#### VII. DECLARATION

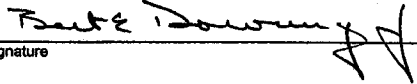
I, Bert E. Downing, Jr., declare under penalty of perjury that the information contained in this Monthly Financial Report is true and complete to the best of my knowledge.

Bert E. Downing, Jr.  
Vice President - Chief Financial Officer  
Keystone Consolidated Industries, Inc.

Date:

7/12/04

Signature



Bert E. Downing, Jr.  
Vice President - Chief Financial Officer  
Keystone Consolidated Industries, Inc.  
(972) 450-4293

# EXHIBIT A

## MISCELLANEOUS OPERATING EXPENSES

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Sub Total</u>	<u>Elimin- ations</u>	<u>Total</u>
KCI Corporate Overhead Allocation		0			10,869		10,869	(10,869)	0
Audit Fee		7,693			938		8,631		8,631
Bank Service Charge		8,750			0		8,750		8,750
OPEB		169,154			44,975		214,129		214,129
Management Services		0				3,193	3,193		3,193
Services		113,140					113,140		113,140
Conventions/Exhibitions		44					44		44
Postage		1,505					1,505		1,505
Travel & Entertainment		32,961			1,080		34,041		34,041
Operating Permits		50,000					50,000		50,000
Directors fees		6,250					6,250		6,250
Stockholder Communication		7,692					7,692		7,692
State Franchise Tax		21,923		500			22,423		22,423
Management fees		80,769					80,769		80,769
Actuary fees		13,846					13,846		13,846
Sales Commissions		85,725					85,725		85,725
Other Professional Fees		6,154			6,276		12,430		12,430
Restructuring Expense		0					0		0
Employee Recruiting/Relocation		8,414					8,414		8,414
Transportation Equip (Forklifts, Trucks, etc)		60,864			4,826		65,690		65,690
Foreign Currency Exchange Loss		15,962					15,962		15,962
Waste Disposal					11,438		11,438		11,438
Other Deminimus Accounts		9,820			2,957		12,777		12,777
	<u>\$0</u>	<u>\$700,666</u>	<u>\$0</u>	<u>\$500</u>	<u>\$83,359</u>	<u>\$3,193</u>	<u>\$787,718</u>	<u>(\$10,869)</u>	<u>\$776,849</u>

# **EXHIBIT B**

## **OTHER REVENUE NOT RELATED TO BUSINESS OPERATIONS**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Sub Total</u>	<u>Elimin- ations</u>	<u>Total</u>
Rental income	7,000	12,040					19,040		19,040
Employee related fees		190					190		190
KCI corporate overhead allocation		32,606					32,606	(10,869)	21,737
Other deminimus accounts		338					338		338
	<u>\$7,000</u>	<u>\$45,174</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$52,174</u>	<u>(\$10,869)</u>	<u>\$41,305</u>

**EXHIBIT C****LEGAL AND PROFESSIONAL FEES NOT RELATED TO BUSINESS OPERATIONS**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Sub Total</u>	<u>Elimin- ations</u>	<u>Total</u>
Financial Advisor		300,965					300,965		300,965
Legal		(21,960)			4,892		(17,068)		(17,068)
Claims Agent		165,000					165,000		165,000
Committee Professionals		407,284					407,284		407,284
U.S. Trustee		19,750					19,750		19,750
	\$0	\$871,039	\$0	\$0	\$4,892	\$0	\$875,931	\$0	\$875,931

### OTHER EXPENSES NOT RELATED TO BUSINESS OPERATIONS

Page 1 of 1



# EXHIBIT E

## OTHER CURRENT ASSETS

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Sub Total</u>	<u>Elimin- ations</u>	<u>Total</u>
Interest Receivable	\$2,982						\$2,982		\$2,982
Note Receivable	75,000						75,000		75,000
Intercompany Receivable		3,949,728	14,849,793		364,429		19,163,950	(15,217,819)	3,946,131
Short Term Investments		20,428					20,428		20,428
Receivable From EB Plans		4,033					4,033		4,033
Stop Loss Receivable		8,930					8,930		8,930
Security Deposit		500					500		500
	<u>\$77,982</u>	<u>\$3,983,619</u>	<u>\$14,849,793</u>	<u>\$0</u>	<u>\$364,429</u>	<u>\$0</u>	<u>\$19,275,823</u>	<u>(\$15,217,819)</u>	<u>\$4,058,004</u>

# EXHIBIT F

## OTHER LONG TERM ASSETS

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Sub Total</u>	<u>Elimin- ations</u>	<u>Total</u>
Note Receivable	\$115,000						\$115,000		\$115,000
Rail Cars		373,866					373,866		373,866
Investment in Sherman Wire Corp.		38,915,803					38,915,803	(38,915,803)	0
Investment in Fox Valley Steel & Wire		10,000					10,000	(10,000)	0
Investment in Sherman Wire of Caldwell Inc.		1,000					1,000	(1,000)	0
Investment in J.L. Prescott/DEMI					2,246,871		2,246,871	(2,246,871)	0
Long Term Insurance Receivable		323,250					323,250		323,250
Deposits		4,800					4,800		4,800
							0		0
	<u>\$115,000</u>	<u>\$39,628,719</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,246,871</u>	<u>\$0</u>	<u>\$41,990,590</u>	<u>(\$41,173,674)</u>	<u>\$816,916</u>

# EXHIBIT G

## PRE-PETITION ACCRUED EXPENSES - CURRENT

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Sub Total</u>	<u>Elimin- ations</u>	<u>Total</u>
Income Taxes	\$3,183		\$35,632	(\$36,000)	(\$70,091)		(\$67,276)		(\$67,276)
Worker Comp Exp		3,786,307			(168)		3,786,139		3,786,139
Missar Pension		0			19,935		19,935		19,935
Unclaimed Property		6,487			17,540		24,027		24,027
Abandoned Real Estate Exp		0			658,744		658,744		658,744
Legal and Professional Fees		311,879			487,932		799,811		799,811
Self-Insurance Liability		2,535,714			5,050,166		7,585,880		7,585,880
Pensions		0			15,704		15,704		15,704
Salaries/Wages		77,616			47,300		124,916		124,916
Holiday Pay/Vacations		1,009,942			127,854		1,137,796		1,137,796
FICA - Employer		0			3,257		3,257		3,257
Federal Unemployment Taxes		0			3,397		3,397		3,397
State Unemployment Taxes		0			20,577		20,577		20,577
Defined Contribution Plan		1,321,074			28,615		1,349,689		1,349,689
Medical Insurance		86,560			88,737	16,419	191,716		191,716
Utilities		0			5,049	(110)	4,939		4,939
Volume Incentive Plan		0			72,000		72,000		72,000
Property Tax		0			32,865	5,973	38,838		38,838
Sales/Use Tax		0			8,124	1,800	9,924		9,924
Customer Overpayments		0			50,843		50,843		50,843
Other - Plant Shut-Down		0				40,000	40,000		40,000
Goods received not invoiced		0					0		0
Unearned Revenue		0					0		0
Sales Rebates/Discounts		1,206,812					1,206,812		1,206,812
Manufacturing Misc		0					0		0
EPA		7,937,283					7,937,283		7,937,283
Medical Insurance		951,800					951,800		951,800
Accrued State Franchise Tax		206,742					206,742		206,742
Accrued Bank Service Charge		(9,925)					(9,925)		(9,925)
Accrued Interest		454,639					454,639		454,639
Accrued travel		40,223					40,223		40,223
Accrued taxes - other		34,176					34,176		34,176
	<u>\$3,183</u>	<u>\$19,957,329</u>	<u>\$35,632</u>	<u>(\$36,000)</u>	<u>\$6,668,380</u>	<u>\$64,082</u>	<u>\$26,692,606</u>	<u>\$0</u>	<u>\$26,692,606</u>

# **EXHIBIT H**

## **POST PETITION ACCRUED EXPENSES - CURRENT**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Sub Total</u>	<u>Elimin- ations</u>	<u>Total</u>
Abandoned Real Estate Exp		154			17,300		17,454		17,454
Pensions		0			31,930		31,930		31,930
Salaries/Wages		927,848			26		927,874		927,874
Holiday Pay/Vacations		2,829,927			20,135		2,850,062		2,850,062
FICA - Employer		(80,052)			3,251		(76,801)		(76,801)
Federal Unemployment Taxes		0			(2,553)		(2,553)		(2,553)
State Unemployment Taxes		0			(9,409)		(9,409)		(9,409)
Defined Contribution Plan		693,845			24,033		717,878		717,878
Medical Insurance		211,045			25,658	(2,259)	234,444		234,444
Utilities		225,936			81,812	820	308,568		308,568
Property Tax		258,921			46,333	1,881	307,135		307,135
Sales/Use Tax		1,059			2,071		3,130		3,130
Legal		30,000			2,100		32,100		32,100
Professional Fees		159,295					159,295		159,295
Goods Received Not Invoiced		1,617,348					1,617,348		1,617,348
Worker's Compensation		(120,346)					(120,346)		(120,346)
Unearned Revenue		35,000					35,000		35,000
Sales Rebates/Discounts		761,798					761,798		761,798
Abandonon Property		0					0		0
Miscellaneous		1,514,652			25,018		1,539,670		1,539,670
Accrued State Franchise Tax		(88,827)					(88,827)		(88,827)
Accrued Bank Service Charge		11,143					11,143		11,143
Accrued Self-Insurance Losses		149,604					149,604		149,604
Accrued Interest		312,129					312,129		312,129
Accrued Travel		0					0		0
Accrued Restructuring Costs		3,089,220					3,089,220		3,089,220
Accrued Profit Sharing		594,745					594,745		594,745
Accrued Management Fees		92,019					92,019		92,019
	\$0	\$13,226,463	\$0	\$0	\$267,705	\$442	\$13,494,610	\$0	\$13,494,610

# EXHIBIT I

## PRE-PETITION ACCRUED EXPENSES - LONG TERM

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Sub Total</u>	<u>Elimin- ations</u>	<u>Total</u>
Environmental		3,127,000	3,573,908				6,700,908		6,700,908
Workmans Compensation		1,846,775					1,846,775		1,846,775
Accrued Deferred Interest Exp.		781,715					781,715		781,715
L/T Deferred Compensation		15,660					15,660		15,660
Long Term Disability		32,987					32,987		32,987
L/T Deferred Tax Liability		5,292,000					5,292,000		5,292,000
							0		0
	\$0	\$11,096,137	\$3,573,908	\$0	\$0	\$0	\$14,670,045	\$0	\$14,670,045

# **EXHIBIT J**

## **POST PETITION ACCRUED EXPENSES - LONG TERM**

	<u>FVSW</u>	<u>KCI</u>	<u>DEMI</u>	<u>JLP</u>	<u>SWC</u>	<u>SWCI</u>	<u>Sub Total</u>	<u>Elimin- ations</u>	<u>Total</u>
Workmans Compensation		\$779,413					\$779,413		\$779,413
Long Term Disability		612					612		612
Environmental			(7,441)				(7,441)		(7,441)
							0		0
							0		0
							0		0
							0		0
							0		0
	\$0	\$780,025	(\$7,441)	\$0	\$0	\$0	\$772,584	\$0	\$772,584

**EXHIBIT K**

**DETAIL OF POST PETITION PAYABLES OVER 30 DAYS OLD**

<u>Payee</u>	<u>Amount</u>	<u>Date Due</u>	<u>Description</u>
<u>FVSW</u>			
<u>KCI</u>			
<u>DEMI</u>			
<u>JLP</u>			
<u>SWC</u>			
<u>SWCI</u>			

EXHIBIT L

TAX LIABILITY QUESTIONNAIRE - OTHER TAXES

	<u>Date</u> <u>Paid</u>	<u>Amount</u> <u>Paid</u>	<u>Amount</u> <u>Accrued</u>	<u>Amount</u> <u>Overdue</u>
<u>FVSW</u>				
<u>KCI</u>				
<u>DEMI</u>				
<u>JLP</u>				
<u>SWC</u>		N/A		
<u>SWCI</u>		N/A		



KEYSTONE STEEL & WIRE  
US BANK - DISBURSEMENT ACCT

cmk  
07/07/04

BANK ACCOUNT:  
1002844519 PNC  
152100015550 USBank

JDE 100.1018  
JUNE  
2004-06

06/27/04

Bank Balance	0.00
Less Outstanding Checks from listing	(1,297,164.81)
Bank Balance (adjusted)	<u>(1,297,164.81)</u>
KSW Book Balance	<u>(1,297,651.55)</u>
Outage	<u>486.74</u>

KSW Book Balance - JUNE	(1,297,651.55)
-------------------------	----------------

May bank activity not reported by KCI:

05/18	Per Bank - "Rev Debit Error - W/O 3/25"	530.00
	Per Bank - 117105 posted twice (05/06 & 05/25)	<u>(43.26)</u>
	Net clearing difference-Bank vs KCI	486.74
		<u>(1,297,164.81)</u>

KEYSTONE CONSOLIDATED INDUSTRIES INC  
DBA KEYSTONE STEEL & WIRE  
CONTROLLED DISBURSEMENT ACCOUNT  
ATTN CHERYL KIRKHAM  
7000 S ADAMS ST  
PEORIA IL 61641-0001

Account Number:  
1 521 0001 5550  
Statement Period:  
Jun. 1, 2004  
through  
Jun. 25, 2004

Page 2 of 3

**COMMERCIAL CHECKING****(CONTINUED)**

Account Number 1-521-0001-5550

**Other Deposits (continued)**

Date	Description of Transaction	Ref Number	Amount
Jun. 23	Controlled Disb Credit REF=20041755774515 Y	From CD FUNDING 8091215927-E G FRKS AC#153691427964	425,108.67
Jun. 24	Controlled Disb Credit REF=20041755774515 Y	From CD FUNDING 8091215927-E G FRKS AC#153691427964	209,264.25
Jun. 25	Controlled Disb Credit REF=20041772530790 Y	From CD FUNDING 8091215927-E G FRKS AC#153691427964	499,351.57
<b>Total Other Deposits</b>			<b>\$ 6,546,047.15</b>

**Other Withdrawals**

Date	Description of Transaction	Ref Number	Amount
Jun. 4	Control Disb Debit REF=20041560448150 Y	From CD FUNDING PPP 5091215927-E GR FRKSPPP ADJ DEBIT	\$ 0.01-
Jun. 11	Control Disb Debit REF=20041560448150 Y	From CD FUNDING PPP 5091215927-E GR FRKSPPP ADJ DEBIT	\$ 434.25
Jun. 11	AN ADJUSTMENT WAS MADE (V4 - 41630 01104) FOR	0063001104	0.01-
Jun. 15	Control Disb Debit REF=20041635441822 Y	From CD FUNDING ADJ. 8091215927-E G FRKS AC#153691427964	\$ 180.87-
Jun. 16	Control Disb Debit REF=20041673658729 Y	From CD FUNDING ADJ. 8091215927-E G FRKS AC#153691427964	\$ 2,902.54
Jun. 16	Control Disb Debit REF=20041680544262 Y	From CD FUNDING ADJ. 8091215927-E G FRKS AC#153691427964	\$ 2,902.54
<b>Total Other Withdrawals</b>			<b>\$ 4,394.28-</b>

**Summary Post**

Date	Description of Transaction	Ref Number	Amount
Jun. 1	Summary Post of	99 Items	\$ 283,008.82-
Jun. 2	Summary Post of	35 Items	106,715.61
Jun. 3	Summary Post of	79 Items	339,866.15-
Jun. 4	Summary Post of	73 Items	838,105.04
Jun. 7	Summary Post of	86 Items	345,469.83-
Jun. 8	Summary Post of	43 Items	245,207.26
Jun. 9	Summary Post of	76 Items	590,241.60-
Jun. 10	Summary Post of	56 Items	166,646.95
Jun. 11	Summary Post of	50 Items	314,068.32-
Jun. 14	Summary Post of	75 Items	404,856.19
Jun. 15	Summary Post of	51 Items	157,229.66-
Jun. 16	Summary Post of	102 Items	372,121.04
Jun. 17	Summary Post of	42 Items	277,726.52-
Jun. 18	Summary Post of	41 Items	183,788.54
Jun. 21	Summary Post of	72 Items	458,193.96-
Jun. 22	Summary Post of	50 Items	274,687.29
Jun. 23	Summary Post of	73 Items	425,108.67-
Jun. 24	Summary Post of	55 Items	209,264.25
Jun. 25	Summary Post of	57 Items	499,351.57-
<b>Total ( 1,215) Summary Post</b>			<b>\$ 6,641,652.87-</b>

**Balance Summary**

Date	Ending Balance	Date	Ending Balance	Date	Ending Balance
Jun. 1	0.00	Jun. 10	676.60	Jun. 21	0.00
Jun. 2	0.00	Jun. 11	0.01-	Jun. 22	0.00
Jun. 3	434.25	Jun. 14	180.87	Jun. 23	0.00
Jun. 4	0.00	Jun. 15	2,902.54	Jun. 24	0.00
Jun. 7	0.00	Jun. 16	0.00	Jun. 25	0.00
Jun. 8	0.00	Jun. 17	0.00		
Jun. 9	0.00	Jun. 18	0.00		

KEYSTONE CONSOLIDATED INDUSTRIES INC  
DBA KEYSTONE STEEL & WIRE  
CONTROLLED DISBURSEMENT ACCOUNT  
ATTN CHERYL KIRKHAM  
7000 S ADAMS ST  
PEORIA IL 61641-0001

P.04/04  
Account Number:  
1 521 0001 5550  
Statement Period:  
Jun. 1, 2004  
through  
Jun. 25, 2004

Page 3 of 3

**COMMERCIAL CHECKING**

Account Number 1-521-0001-5550

**(CONTINUED)**

Balances only appear for days reflecting change.

Give your employees the bonus they deserve...the U.S. Bank Visa Gift Card. Now available at any U.S. Bank branch.

TOTAL P.04

**US BANK**  
**CONTROLLED DISBURSEMENT ACCT**  
**Sherman Wire Company**

ACCT # 1 521 0001 5584

06-04

JUNE, 2004

BALANCE PER STATEMENT, 06-25-04

0.00

## LESS: OUTSTANDING CKS

Vendor	Ck #	Ck Date	Amount
Frances or Mike Carrell	57366	06/25/04	500.00
Center For Family Medicine	57367	06/25/04	420.00
Dept of Environmental Quality	57368	06/25/04	100.00
Devices and Calibrations Services	57369	06/25/04	433.00
Gainesville Printing Co.	57370	06/25/04	186.78
Grayson Climate Engineers	57371	06/25/04	193.86
Grayson Pro-Tech, Inc.	57372	06/25/04	151.56
Keith McShan	57373	06/25/04	605.00
Gilberto Monroy	57374	06/25/04	20.00
Jackie G. Moss	57375	06/25/04	72.05
Richelle Nash	57376	06/25/04	193.10
Reddy Ice - Pilot Point	57377	06/25/04	135.00
Rusco Packaging, Inc.	57378	06/25/04	95.83
Al Ryon	57379	06/25/04	78.02
Gregg Lecheler	57380	06/25/04	98.94
Sherman Wire Petty Cash	57381	06/25/04	170.95
Sherman Wire Petty Cash	57382	06/25/04	434.87
U.S. Dept of Transportation	57383	06/25/04	150.00
U.S. Postmaster	57384	06/25/04	75.00
Robert Veal Express	57385	06/25/04	250.00
WNJ Workmed Occupational Health	57386	06/25/04	750.00

5,113.96

BALANCE OF ACCT # 1 521 0001 5584 @ 06-25-04

(5,113.96)



P.O. Box 1800  
Saint Paul, Minnesota 55101-0800  
00468 ARP 000017 198SA Y ST01

**Business Statement**

Account Number

1 521 0001 558

Statement Period

Jun. 1, 200

thru

Jun. 25, 200

Page 1 of

SHERMAN WIRE COMPANY  
SHERMAN OFFICE  
CONTROLLED DISBURSEMENT ACCOUNT  
ATTN TERESA CARNEY  
PO BOX 729  
SHERMAN TX 75091-0729



To Contact U.S. Bank

24-Hour Business  
Solutions:

1-800-673-355

TDD:

1-800-685-506

Internet:

www.usbank.co.

**COMMERCIAL CHECKING**

Account Number 1-521-0001-5584

U.S. Bank National Association

**Account Summary**

	# Items	\$	
Beginning Balance on Jun. 1		\$	0.00
Other Deposits	6		3,071.94
Checks Paid	17		3,071.94
<b>Ending Balance on Jun. 25, 2004</b>		<b>\$</b>	<b>0.00</b>

Member FDIC

**Other Deposits**

Date	Description of Transaction	Ref Number	Amount
Jun. 2	Controlled Disb Credit	From CD FUNDING	\$ 465.00
	REF=20041540950382 Y	8091215927-E G FRKS AC#153691427964	
Jun. 3	Controlled Disb Credit	From CD FUNDING	686.00
	REF=20041554295046 Y	8091215927-E G FRKS AC#153691427964	
Jun. 7	Controlled Disb Credit	From CD FUNDING	1,030.00
	REF=20041593215248 Y	8091215927-E G FRKS AC#153691427964	
Jun. 9	Controlled Disb Credit	From CD FUNDING	70.00
	REF=20041610452470 Y	8091215927-E G FRKS AC#153691427964	
Jun. 10	Controlled Disb Credit	From CD FUNDING	552.00
	REF=20041623385868 Y	8091215927-E G FRKS AC#153691427964	
Jun. 17	Controlled Disb Credit	From CD FUNDING	917.00
	REF=20041693423166 Y	8091215927-E G FRKS AC#153691427964	
<b>Total Other Deposits</b>			<b>\$ 3,071.94</b>

**Checks Paid**

Check	Date	Ref Number	Amount	Check	Date	Ref Number	Amount
57349	Jun. 7	5944488010	208.64	57358	Jun. 3	5943635635	25.00
57350	Jun. 3	5943548274	44.64	57359	Jun. 3	5943635643	52.80
57351	Jun. 7	7045835926	550.00	57360	Jun. 7	7141324042	75.00
57352	Jun. 10	5945798249	445.50	57361	Jun. 7	5944701495	47.00
57353	Jun. 3	5943635849	109.35	57362	Jun. 3	5943623003	144.70
57354	Jun. 3	5943622999	185.18	57363	Jun. 10	5945787263	106.50
57355	Jun. 7	5944477259	150.00	57364	Jun. 17	5947880911	317.10
57356	Jun. 2	5943126373	465.00	57365	Jun. 9	5945460100	70.80
57357	Jun. 3	5943623000	74.43				
<b>Total (17) Checks Paid</b>			<b>\$ 3,071.94</b>				

**Balance Summary**

Date	Ending Balance	Date	Ending Balance	Date	Ending Balance
Jun. 2	0.00	Jun. 7	0.00	Jun. 10	0.00
Jun. 3	0.00	Jun. 9	0.00	Jun. 17	0.00

Balances only appear for days reflecting change



P.O. Box 1800  
Saint Paul, Minnesota 55101-0800  
00488 ARP 000000 189SA Y ST01

**Business Statement**

Account Number  
1 521 0001 5592  
Statement Period  
Jun. 1, 2004  
through  
Jun 25, 2004

Page 1 of 1



SHERMAN WIRE OF CALDWELL INC  
CONTROLLED DISBURSEMENT ACCOUNT  
DEBTOR IN POSSESSION  
ATTN TERESA CARNEY  
PO BOX 729  
SHERMAN TX 75091-0729

**To Contact U.S. Bank**

**24-Hour Business  
Solutions:**

1-800-673-3555

**TDD:**

1-800-685-5066

**Internet:**[www.usbank.com](http://www.usbank.com)**COMMERCIAL CHECKING**

Account Number 1-521-0001-5592

U.S. Bank National Association

**Account Summary**

Beginning Balance on Jun. 1	\$	0.00
Ending Balance on Jun. 25, 2004	\$	0.00

**Member FD**

Give your employees the bonus they deserve...the U.S. Bank Visa Gift Card. Now available at any U.S. Bank branch.